

## GLOBAL ECONOMICS

*Global Economics* is a business course that provides students with an understanding of their role as consumers and producers in domestic and global economies. This course enables students to understand how the economic system operates while comprehending their role in that system. Students deal with public policy, international economics, microeconomics, and macroeconomics in comparing economic systems and using selected economic measures.

- DOE Code: 4558
- Recommended Grade Level: Grade 12
- Recommended Prerequisites: None
- Credits: 1 credit per semester, maximum of 2 semester, maximum of 2 credits
- Counts as a Directed Elective or Elective for the General, Core 40, Core 40 with Academic Honors and Core 40 with Technical Honors diplomas
- May fulfill up to one graduation credit of the Economics requirement

### **Career and Technical Student Organizations (CTSOs)**

Career and Technical Student Organizations are considered a powerful instructional tool when integrated into Career and Technical Education programs. They enhance the knowledge and skills students learn in a course by allowing a student to participate in a unique program of career and leadership development. Students should be encouraged to participate in Business Professional of America, DECA, or Future Business Leaders of America, the CTSOs for this area.

## Content Standards

### **Domain – Basic Economic Concepts**

**Core Standard 1** Students synthesize the relationship among scarcity, choice and opportunity costs to understand that resources are limited and, as a result, individuals must choose some things and give up others.

#### **Standards**

- GE-1.1 Define, identify and explain the productive resources
- GE-1.2 Define scarcity and explain how opportunity costs and tradeoffs exist
- GE-1.3 Explain incentives and how they affect choice
- GE-1.4 Use a production possibilities curve to explain the concepts of choice, scarcity, opportunity cost, tradeoffs, unemployment, productivity, and growth
- GE-1.5 Critique the trade-off among economic growth, national security, efficiency, and personal freedom
- GE-1.6 Explain measures of a country's economic performance such as Gross Domestic Product (GDP), unemployment, and inflation

## **Domain – Economic Systems**

**Core Standard 2** Students critique various economic systems from around the world in order to identify strengths and weakness, and compare each.

### **Standards**

- GE-2.1 Describe the various economic systems
- GE-2.2 Identify questions that must be answered by any economic system and how they are categorized by how they answer the basic economic questions
- GE-2.3 Evaluate the strengths and weaknesses of various economic systems
- GE-2.4 Explain the fundamental role of government in the various economic systems
- GE-2.5 Investigate the effect of taxes on economic systems
- GE-2.6 Describe fiscal policy and its relationship to various economic systems
- GE-2.7 Explain and evaluate how and why governments control businesses and individuals through laws and taxes

**Core Standard 3** Students analyze marketplace structures in economic systems.

### **Standards**

- GE-3.1 Define labor productivity and explain the basic factors which affect productivity
- GE-3.2 Analyze the relationship between price, supply, and demand
- GE-3.3 Demonstrate the efficiency of an economic system's decision making through production possibility curves
- GE-3.4 Describe different types of competitive structures in economic systems
- GE-3.5 Explain the role and effect of labor unions, nonprofit organizations, and cooperatives in a given economy
- GE-3.6 Assess the influence of monopolies and oligopolies on marketplaces
- GE-3.7 Describe and evaluate how businesses are formed, operated, and funded
- GE-3.8 Explain the business cycle and the factors that influence it

## **Domain – World Trade**

**Core Standard 4** Students analyze the necessity for global interaction within the different economic systems.

### **Standards**

- GE-4.1 Demonstrate how all countries are interdependent
- GE-4.2 Explain how specialization promotes international trade and how international trade increases total world output
- GE-4.3 Explain how governments and cartels/syndicates influence world trade
- GE-4.4 Differentiate absolute advantage versus comparative advantage
- GE-4.5 Discuss the components that make up the balance of payments and balance of trade among nations
- GE-4.6 Evaluate the effects of trade agreements among nations and barriers to trade

## **Domain – Money and Banking**

**Core Standard 5** Students explain the role of monetary and fiscal policies in a global economy and how it relates to individuals' daily lives, businesses, and governments.

### **Standards**

- GE-5.1 Explain what the Federal Reserve is, its function, and its impact on the U.S. economy
- GE-5.2 Differentiate between monetary policy and fiscal policies
- GE-5.3 Explain what is money and how it is given value
- GE-5.4 Compare the advantages and disadvantages of the barter system, currency, and near money
- GE-5.5 Analyze how changing interest rates are used to influence economies
- GE-5.6 Research the structure of financial institutions and analyze the consumer and commercial products offered
- GE-5.7 Investigate the effect of Gross Domestic Product (GDP), unemployment, and inflation on economies
- GE-5.8 Analyze the history and current trends of U.S. and international commercial banking
- GE-5.9 Analyze and discuss the structure of, the purpose for, and the effects of government taxation

**Core Standard 6** Students research the role of currency and international financial institutions in a global economy.

### **Standards**

- GE-6.1 Formulate the value of different currencies among nations
- GE-6.2 Explain the roles and functions of the World Bank, the International Monetary Fund (IMF), and other international banking/financial institutions
- GE-6.3 Compare and analyze the securities exchanges and their effect on the world economy
- GE-6.4 Analyze the influence of phenomenon such as trade policies, politics, disasters, and cultural factors on the value of currency
- GE-6.5 Explain how the value of money and the exchange rate influence the standard of living in an economy

## **Domain – Making Career Choices**

**Core Standard 7** Students analyze career options in a global economy.

### **Standards**

- GE-7.1 Analyze U.S. and foreign economies to forecast how trade may affect job opportunities and income potential
- GE-7.2 Identify and assess personal interests, abilities, life goals, and possible career choices
- GE-7.3 Predict your future lifestyle and income based on current global economic trends
- GE-7.4 Evaluate the impact of sociological, economic and technological changes on future careers